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SENATE BILL 5868

State of Washington 54th Legislature 1995 Regular Session

By Senators Prentice, Fraser, Cantu, Winsley and Rasmussen; by request of Department of Community, Trade, and Economic Development

Read first time 02/10/95. Referred to Committee on Financial Institutions & Housing.

AN ACT Relating to mobile home relocation assistance; amending RCW 59.21.010, 59.21.030, 59.21.040, 59.21.050, and 59.21.070; reenacting and amending RCW 59.21.105 and 43.84.092; reenacting RCW 59.21.005; creating new sections; repealing RCW 59.21.020, 59.21.035, 59.21.080, 59.21.085, 59.21.095, 59.21.900, 59.21.901, 59.21.902, and 59.21.903; and declaring an emergency.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

The legislature recognizes that, in the 8 NEW SECTION. Sec. 1. decision of Guimont et al. v. Clarke, 121 Wn.2d (1993), the Washington 9 10 supreme court held the mobile home relocation assistance program of chapter 59.21 RCW invalid for its monetary burden on mobile home park-11 12 However, during the program's operation, substantial funds 13 were validly collected from mobile home owners and accumulated in the 14 mobile home park relocation fund, created under the program. The 15 legislature intends to utilize those funds for the purposes for which The legislature also recognizes that, for a 16 they were collected. 17 period of almost three years since this state's courts invalidated the program, no such assistance was available. The most needy tenants may 18 have been forced to sell or abandon rather than relocate their homes in 19

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- 1 the face of park closures. Because the purpose of the program was to
- 2 assist relocation, those persons should be compensated in a like manner
- 3 to those who could afford to pay for relocation without assistance. To
- 4 that end, the legislature has: (1) Repealed RCW 59.21.020, 59.21.035,
- 5 59.21.080, 59.21.085, 59.21.095, 59.21.900, 59.21.901, 59.21.902, and
- 6 59.21.903; (2) amended RCW 59.21.010, 59.21.030, 59.21.040, 59.21.050,
- 7 59.21.070, 59.21.100, 59.21.110, and 43.84.092; (3) reenacted without
- 8 amendment RCW 59.21.005 and 59.21.105; and (4) added new sections to
- 9 chapter 59.21 RCW.
- 10 **Sec. 2.** RCW 59.21.005 and 1991 c 327 s 8 are each reenacted to
- 11 read as follows:
- 12 The legislature recognizes that it is quite costly to move a mobile
- 13 home. Many mobile home tenants need financial assistance in order to
- 14 move their mobile homes from a mobile home park. The purpose of this
- 15 chapter is to provide a mechanism for assisting mobile home tenants to
- 16 relocate to suitable alternative sites when the mobile home park in
- 17 which they reside is closed or converted to another use.
- 18 **Sec. 3.** RCW 59.21.010 and 1991 c 327 s 10 are each amended to read
- 19 as follows:
- 20 Unless the context clearly requires otherwise, the definitions in
- 21 this section apply throughout this chapter.
- 22 (1) "Director" means the director of the department of community,
- 23 <u>trade</u>, <u>and economic</u> development.
- 24 (2) "Department" means the department of community, trade, and
- 25 <u>economic</u> development.
- 26 (3) "Fund" means the mobile home park relocation fund established
- 27 under RCW 59.21.050 ((consisting of park-owner fee payments under RCW
- 28 59.21.095 as well as park-owner payments when there are insufficient
- 29 moneys in its fund)).
- 30 (4) (("Low-income" means at or below eighty percent of median
- 31 household income as defined by the United States department of housing
- 32 and urban development, for the county or standard metropolitan
- 33 statistical area where the park is located.
- (5)) "Mobile home park" or "park" means real property that is
- 35 rented or held out for rent to others for the placement of two or more
- 36 mobile homes for the primary purpose of production of income, except

- 1 where the real property is rented or held out for rent for seasonal
- 2 recreational purpose only and is not intended for year-round occupancy.
- 3 $((\frac{6}{}))$ "Landlord" or "park-owner" means the owner of the
- 4 mobile home park that is being closed at the time relocation assistance
- 5 is provided.
- 6 $((\frac{7}{}))$ (6) "Relocate" means to remove the mobile home from the
- 7 mobile home park being closed.
- 8 $((\frac{8}{1}))$ "Relocation assistance" means the monetary assistance
- 9 provided under RCW 59.21.020.
- 10 <u>NEW SECTION.</u> **Sec. 4.** (1) If a mobile home park is closed or
- 11 converted to another use after June 30, 1991, and before January 1,
- 12 1996, each tenant therein owning their mobile home at the time of
- 13 closure or conversion is entitled to relocation assistance from the
- 14 fund as follows, upon sufficient proof of eligibility.
- 15 (2) Persons who maintained ownership of and relocated their mobile
- 16 homes are entitled to their actual costs of relocation, up to a maximum
- 17 of six thousand five hundred dollars for a double-wide mobile home and
- 18 three thousand five hundred dollars for a single-wide mobile home.
- 19 (3) Persons who sold or abandoned their mobile homes without
- 20 incurring relocation expenses are entitled to a flat reimbursement of
- 21 three thousand five hundred dollars for a double-wide mobile home and
- 22 one thousand five hundred dollars for a single-wide mobile home.
- 23 (4) The department will accept applications for this assistance
- 24 from the effective date of this act until December 31, 1995. At the
- 25 end of that period, the department shall determine the validity of all
- 26 claims.
- 27 (5) Upon determination of the number and amount of valid claims,
- 28 the department shall disburse the funds in the mobile home park
- 29 relocation fund as follows: (a) If sufficient funds exist to pay all
- 30 the claims, the department shall pay each claim fully; and (b) if
- 31 sufficient funds do not exist, the department shall pay each claim on
- 32 a pro rata basis.
- 33 <u>NEW SECTION.</u> **Sec. 5.** (1) If a mobile home park is closed or
- 34 converted to another use after December 31, 1995, eligible tenants
- 35 shall be entitled to assistance on a first-come, first-serve basis.
- 36 Payments shall be made upon the department's verification of

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- eligibility, subject to the availability of funds remaining after the distribution under section 4 of this act.
- 3 (2) Assistance for closures occurring after December 31, 1995, is 4 limited to persons who maintain ownership of and relocate their mobile 5 home.
- 6 (3) Except under subsection (4) of this section, assistance shall 7 be subject to the levels set forth in section 4(2) of this act.
- 8 (4) Any organization may apply to receive funds from the mobile 9 home park relocation fund, which shall be used in combination with 10 private contributions toward relocation of tenants eligible under this 11 section. Such funds shall only be used for relocation assistance.
- NEW SECTION. Sec. 6. In all cases, relocation assistance shall be reduced by any amount required to be paid by any other law for the tenant's relocation and by any amount received from the sale of the mobile home park for the purpose of the tenant's relocation.
- 16 **Sec. 7.** RCW 59.21.030 and 1990 c 171 s 3 are each amended to read 17 as follows:
- 18 Notice required by RCW 59.20.080 before park closure or conversion of the park, whether twelve months or longer, shall be given to the 19 director and all tenants in writing, and posted at all park entrances. 20 21 ((Notice must also include the tenant's right to relocation assistance, 22 if applicable.)) A copy of the closure notice must be provided with all 23 month-to-month rental agreements signed after the original closure notice date. Notice to the director must include a good faith estimate 24 of the timetable for removal of the mobile homes and the reason for 25
- 26 <u>closure.</u> Notice must also be recorded in the office of the county
- 27 auditor for the county where the mobile home park is located. ((This
- 28 section shall apply to all park closures even though notice may have
- 29 been given prior to April 28, 1989.))
- 30 **Sec. 8.** RCW 59.21.040 and 1989 c 201 s 4 are each amended to read 31 as follows:
- 32 A tenant is not entitled to relocation assistance under ((RCW
- 33 59.21.020)) this chapter if: (1) The tenant has given notice to the
- 34 landlord of his or her intent to vacate the park and terminate the
- 35 tenancy before any <u>formal</u> notice of termination ((required by the
- 36 landlord under this chapter)) has been given, or (2) a person purchases

a mobile home already situated in the park or moves a mobile home into the park after a closure or change of use notice has been given and the person has received actual prior notice of the change or closure.

Sec. 9. RCW 59.21.050 and 1991 sp.s. c 13 s 74 are each amended to read as follows:

(1) ((The mobile home park relocation fund is created in the custody of the state treasurer. All legislative appropriations for mobile home relocation assistance, receipts from fees collected under this chapter, and amounts required to be paid by park owners to low-income park tenants when there are insufficient moneys in the fund shall be deposited into the fund. Expenditures from the fund may be used only for relocation assistance under RCW 59.21.020, or transfer to the mobile home park purchase fund under subsection (2) of this section. Only the director of community development or the director's designee may authorize expenditures from the fund. All relocation payments to low-income park tenants, including those due from the park-owner shall be made from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

(2) Unexpended and unencumbered moneys that remain in the fund at the end of the fiscal year do not revert to the state general fund but remain in the fund, separately accounted for, as a contingency reserve, or if the director determines at the end of any fiscal year beginning after December 31, 1991, that the fund contains a surplus over the projected amount needed for relocation during the upcoming year(s), any surplus may be transferred to the mobile home park purchase fund created by chapter 59.22 RCW. However, the director may cause any uncommitted funds in the mobile home park purchase fund which were transferred from the mobile home park relocation fund to be transferred back to the mobile home park relocation fund if that fund cannot otherwise meet its current obligations.

(3) A low-income park tenant who is entitled to relocation assistance under this chapter is entitled to payment only after submitting an application which includes: (a) A copy of the notice from the park-owner that the tenancy is terminated due to closure of the park; (b) a copy of the rental agreement currently in force; and (c) a copy of the contract entered into for the purpose of relocating the mobile home, which includes the date of relocation.

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- (4) The director may adopt rules for the administration of the 1 fund)) The existence of the mobile home park relocation fund in the 2 custody of the state treasurer is affirmed. Expenditures from the fund 3 4 may be used only for relocation assistance under sections 4 through 6 of this act. Only the director or the director's designee may 5 authorize expenditures from the fund. All relocation payments to 6 tenants shall be made from the fund. The fund is subject to allotment 7 8 procedures under chapter 43.88 RCW, but no appropriation is required 9 for expenditures.
- 10 (2) A park tenant is eligible for assistance under section 4 of 11 this act only after submitting an application in a form approved by the 12 director which shall include:
- 13 (a) For those persons who maintained ownership of and relocated 14 their homes: (i) A copy of the notice from the park-owner, or other adequate proof, that the tenancy is terminated due to closure of the 15 park or its conversion to another use; (ii) a copy of the rental 16 agreement then in force, or other proof that the applicant was a tenant 17 at the time of notice of closure; (iii) a copy of the contract for 18 19 relocating the home which includes the date of relocation, or other proof of actual relocation expenses incurred on a date certain; and 20 (iv) a statement of any other available assistance; 21
- (b) For those persons who sold their homes and incurred no 22 relocation expenses: (i) A copy of the notice from the park-owner, or 23 24 other adequate proof, that the tenancy is terminated due to closure of 25 the park or its conversion to another use; (ii) a copy of the rental 26 agreement then in force, or other proof that the applicant was a tenant at the time of notice of closure; and (iii) a copy of the record of 27 title transfer issued by the department of licensing when the tenant 28 29 sold the home rather than relocate it due to park closure or 30 conversion.
- 31 **Sec. 10.** RCW 59.21.070 and 1989 c 201 s 10 are each amended to 32 read as follows:
- If the rental agreement includes a covenant by the landlord as described in RCW $59.20.060(1)((\frac{e}{0}))(g)(i)$, the covenant runs with the land and is binding upon the purchasers, successors, and assigns of the

36 landlord.

- 1 **Sec. 11.** RCW 59.21.105 and 1991 c 327 s 16 are each reenacted and 2 amended to read as follows:
- 3 (1) The legislature finds that existing older mobile homes provide 4 affordable housing to many persons ((of low income)), and that 5 requiring these homes that are legally located in mobile home parks to 6 meet new fire, safety, and construction codes because they are 7 relocating due to the closure or conversion of the mobile home park, 8 compounds the economic burden facing these tenants.
- 9 (2) Mobile homes that are relocated due to either the closure or 10 conversion of a mobile home park, may not be required by any city or 11 county to comply with the requirements of any applicable fire, safety, 12 or construction code for the sole reason of its relocation. This 13 section shall only apply if the original occupancy classification of 14 the building is not changed as a result of the move.
- 15 (3) This section shall not apply to mobile homes that are 16 substantially remodeled or rehabilitated, nor to any work performed in 17 compliance with installation requirements. For the purpose of 18 determining whether a moved mobile home has been substantially 19 remodeled or rebuilt, any cost relating to preparation for relocation 20 or installation shall not be considered.
- 21 **Sec. 12.** RCW 43.84.092 and 1994 c 2 s 6 (Initiative Measure No. 22 601), 1993 sp.s. c 25 s 511, 1993 sp.s. c 8 s 1, 1993 c 500 s 6, 1993 c 492 s 473, 1993 c 445 s 4, 1993 c 329 s 2, and 1993 c 4 s 9 are each 24 reenacted and amended to read as follows:
- 25 (1) All earnings of investments of surplus balances in the state 26 treasury shall be deposited to the treasury income account, which 27 account is hereby established in the state treasury.
- (2) The treasury income account shall be utilized to pay or receive 28 29 funds associated with federal programs as required by the federal cash 30 management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is 31 required for refunds or allocations of interest earnings required by 32 the cash management improvement act. Refunds of interest to the 33 34 federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. 35 The 36 office of financial management shall determine the amounts due to or 37 from the federal government pursuant to the cash management improvement 38 act. The office of financial management may direct transfers of funds

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between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

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- (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
- 13 (4) Monthly, the state treasurer shall distribute the earnings 14 credited to the treasury income account. The state treasurer shall 15 credit the general fund with all the earnings credited to the treasury 16 income account except:
 - The following accounts and funds shall receive their (a) proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects charitable, educational, account, the penal and institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the Eastern Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving account, the health services account, the public health services account, the health system capacity account, the personal health services account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the perpetual

surveillance and maintenance account, the public employees' retirement 1 system plan I account, the public employees' retirement system plan II 2 account, the Puyallup tribal settlement account, the resource 3 4 management cost account, the site closure account, the special wildlife 5 account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, 6 7 the state investment board commingled trust fund accounts, the 8 supplemental pension account, the teachers' retirement system plan I 9 account, the teachers' retirement system plan II account, the tuition 10 recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire 11 fighters' relief and pension principal account, the volunteer fire 12 13 fighters' relief and pension administrative account, the Washington judicial retirement system account, the Washington law enforcement 14 15 officers' and fire fighters' system plan I retirement account, the 16 Washington law enforcement officers' and fire fighters' system plan II 17 retirement account, the Washington state patrol retirement account, the Washington State University building account, the Washington State 18 19 University bond retirement fund, the water pollution control revolving 20 fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent 21 22 fund, the normal school permanent fund, the permanent common school 23 fund, the scientific permanent fund, and the state university permanent 24 fund shall be allocated to their respective beneficiary accounts. All 25 earnings to be distributed under this subsection (4)(a) shall first be 26 reduced by the allocation to the state treasurer's service fund 27 pursuant to RCW 43.08.190.

- (b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The ((marine operating fund, the)) motor vehicle fund((7)) and the transportation fund.
- 32 (5) In conformance with Article II, section 37 of the state 33 Constitution, no treasury accounts or funds shall be allocated earnings 34 without the specific affirmative directive of this section.
- NEW SECTION. **Sec. 13.** The following acts or parts of acts are ach repealed:
- 37 (1) RCW 59.21.020 and 1991 c 327 s 11, 1990 c 171 s 2, & 1989 c 201 38 s 2;

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(2) RCW 59.21.035 and 1990 c 171 s 4;
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       (3) RCW 59.21.080 and 1990 c 171 s 9 & 1989 c 201 s 11;
       (4) RCW 59.21.085 and 1991 c 327 s 15;
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       (5) RCW 59.21.095 and 1991 c 327 s 9;
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       (6) RCW 59.21.900 and 1989 c 201 s 17;
       (7) RCW 59.21.901 and 1991 c 327 s 17;
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       (8) RCW 59.21.902 and 1991 c 327 s 19; and
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       (9) RCW 59.21.903 and 1991 c 327 s 20.
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- 9 <u>NEW SECTION.</u> **Sec. 14.** If any provision of this act or its 10 application to any person or circumstance is held invalid, the 11 remainder of the act or the application of the provision to other 12 persons or circumstances is not affected.
- NEW SECTION. Sec. 15. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately.

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